

14F - DEFERRED COMPENSATION REIMBURSEMENT (HR)

Operational Summary

Description:

The Deferred Compensation Reimbursement Fund was established to make payments pursuant to the Fixed Fund Retirement contract with Nationwide Life Insurance Company.

At a Glance:

| | |
|---|-----------|
| Total FY 2003-2004 Projected Expend + Encumb: | 318,857 |
| Total Recommended FY 2004-2005 Budget: | 7,235,142 |
| Percent of County General Fund: | N/A |
| Total Employees: | 0.00 |

FY 2003-2004 Key Project Accomplishments:

- The funding for Contingent Deferred Sales Charges is lower based on current experience. This is due to the reduction in interest rates for Contingent Deferred Sales Charges over time. These charges will be eliminated entirely starting in 09/30/06, followed only by potential penalties that may be assessed for final fund transfers at this time (Market Value Adjustments). Note that the current budget projections are based upon the current fund balance, interest revenue, and expenses. In the event that changes are made to the fund balance, the impact on the budget will need to be determined at that time, and modifications to the budget submitted as appropriate.

DEFERRED COMP REIMBURSEMENT - The Deferred Compensation Reimbursement Fund was established to make payments pursuant to the Fixed Fund Retirement contract with Nationwide Life Insurance Company.

Changes Included in the Recommended Base Budget:

The funding for Contingent Deferred Sales Charges is lower based on current experience. This is due to the reduction in interest rates for Contingent Deferred Sales Charges over time. These charges will be eliminated entirely starting in 09/30/06, followed only by potential penalties that may be assessed for final fund transfers at this time (Market Value Adjustments).

The current budget projections are based upon the current fund balance, interest revenue, and expenses. In the event that changes are made to the fund balance, the impact on the budget will need to be determined at that time, and modifications to the budget submitted as appropriate.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Employee Benefits Division supports the Board of Supervisors adopted strategic priorities as they relate to the implementation and administration of employee benefits.

Proposed Budget and History:

| Sources and Uses | FY 2002-2003 Actual | FY 2003-2004 Budget As of 3/31/04 | FY 2003-2004 Projected ⁽¹⁾ At 6/30/04 | FY 2004-2005 Recommended | Change from FY 2003-2004 Projected | |
|--------------------|------------------------|---|--|-----------------------------|---------------------------------------|----------|
| | | | | | Amount | Percent |
| Total Revenues | 7,742,652 | 7,459,053 | 7,451,731 | 7,235,142 | (216,589) | -2.91 |
| Total Requirements | 376,455 | 7,459,053 | 318,857 | 7,235,142 | 6,916,285 | 2,169.09 |
| Balance | 7,366,197 | 0 | 7,132,874 | 0 | (7,132,874) | -100.00 |

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Deferred Compensation Reimbursement (CEO) in the Appendix on page 557.

Highlights of Key Trends:

- The funding for Contingent Deferred Sales Charges is lower based on current experience. This is due to the reduction in interest rates for Contingent Deferred Sales Charges over time. These charges will be eliminated entirely starting in 09/30/06, followed only by potential penalties that may be assessed for final fund transfers at this time (Market Value Adjustments).
- The current budget projections are based upon the current fund balance, interest revenue, and expenses. In the event that changes are made to the fund balance, the impact on the budget will need to be determined at that time, and modifications to the budget submitted as appropriate.

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Summary of Proposed Budget by Revenue and Expense Category:

| Revenues/Appropriations | FY 2002-2003 Actual | FY 2003-2004 Budget As of 3/31/04 | FY 2003-2004 Projected ⁽¹⁾ At 6/30/04 | FY 2004-2005 Recommended | Change from FY 2003-2004 Projected | |
|--|------------------------|---|--|-----------------------------|---------------------------------------|----------|
| | | | | | Amount | Percent |
| Revenue From Use Of Money And Property | \$ 134,840 | \$ 92,856 | \$ 85,534 | \$ 102,268 | \$ 16,734 | 19.56% |
| Total FBA | 7,595,076 | 7,366,197 | 7,366,197 | 7,132,874 | (233,323) | -3.17 |
| Reserve For Encumbrances | 12,736 | 0 | 0 | 0 | 0 | 0.00 |
| Total Revenues | 7,742,652 | 7,459,053 | 7,451,731 | 7,235,142 | (216,589) | -2.91 |
| Services & Supplies | 376,455 | 7,459,053 | 318,857 | 2,235,142 | 1,916,285 | 600.99 |
| Other Financing Uses | 0 | 0 | 0 | 5,000,000 | 5,000,000 | 0.00 |
| Total Requirements | 376,455 | 7,459,053 | 318,857 | 7,235,142 | 6,916,285 | 2,169.09 |
| Balance | \$ 7,366,197 | \$ 0 | \$ 7,132,874 | \$ 0 | \$ (7,132,874) | -100.00% |

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).